

County of Los Angeles CHIEF EXECUTIVE OFFICE

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To:

Supervisor Zev Yaroslavsky, Chairman

Supervisor Gloria Molina

Supervisor Mark Ridley-Thomas

Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

William T Fujioka

Chief Executive Officer

SACRAMENTO UPDATE

This memorandum contains a pursuit of County position on legislation related to workers' compensation death benefits; a change in County position on legislation related to expedited judicial review processes under the California Environmental Quality Act; an update on County-advocacy legislation regarding the UCLA International Medical Graduate Pilot Program and the extension of the sunset date for Laura's Law; and information on legislation of County interest related to fire fees in State Responsibility Areas and child welfare services.

Pursuit of County Position on Legislation

AB 2451 (Pérez), which as introduced on February 24, 2012, would authorize a claim for death benefits for firefighters whose death is caused by certain presumptive-type illnesses, including cancer, heart disease, tuberculosis, and blood-borne diseases, one year from any of the following: 1) the date of death, if death occurs within one year of the injury; 2) the date of last receiving benefits, if death occurs more than one year from the date of injury; or 3) the date of death if, the death occurs more than one year after the date of injury and compensation benefits have been furnished. The bill incorporates no age cap or cap on the period after active service during which a claim for death benefits can be filed as long as it is filed within one year from the date of death.

Existing workers' compensation law specifies that a claim for death benefits must be commenced within one year from the last furnishing of benefits, but no more than 240 weeks from the date of injury. Under current law the death benefit is \$250,000 for a surviving spouse. The benefit is payable even if the former employee leaves no surviving heir, in which case the benefit is payable to the State of California.

AB 2451 would allow a claim for death benefits for the noted presumptive illnesses to be filed years after a firefighter leaves County service. The bill would provide an open-ended period for filing a claim for death benefits regardless of when the death occurs.

The bill creates an unending potential future liability for death benefits for any former firefighter whose ultimate death is related to cancer, heart disease, tuberculosis or blood-borne pathogens. The Chief Executive Office Risk Management Branch estimates that the County costs for providing death benefits for firefighters under AB 2451 could exceed \$5.0 million annually based upon an estimated 20 annual cases which are attributable to the noted modes of death.

As introduced the provisions of AB 2451 are limited to firefighters; however, it is anticipated that the author will amend the bill to cover all public safety employees. If that were to occur, the estimated fiscal impact to the County would increase significantly, reaching an estimated \$20.0 million or more annually as there are approximately four times as many public safety personnel, including sheriff, who die annually of the noted ailments.

AB 2451 would set an inequitable and burdensome precedent for future workers' compensation benefit enhancements that the enacted FY 2003-04 workers' compensation reforms were put in place to control. Therefore, consistent with existing Board's policy to oppose legislation that: a) mandates or authorizes compensation or benefit changes without approval of the Board of Supervisors; and b) increases workers' compensation benefits unless it maintains a fair and equitable balance for employers and employees within the reforms previously adopted by the Legislature, the Sacramento Legislative advocates will oppose AB 2451.

There is currently no registered support or opposition to the bill.

AB 2451 has been referred to the Assembly Insurance Committee for a hearing.

Change in County Position on Legislation

County-support-if-amended AB 2163 (Knight), which as introduced on February 23, 2012, would make several changes to various provisions of AB 900 (Chapter 354, Statutes of 2011), which created an expedited judicial review process and specified procedures for the preparation and certification of the administrative record for an Environmental Impact Report (EIR).

As previously reported, existing law authorizes a judicial review of California Environmental Quality Act (CEQA) actions taken by public agencies following the agency's decision to carry out or approve the project. Challenges alleging improper determination must be filed in the superior court within 30 days of filing of the notice of approval.

AB 900 of 2011 created, until January 1, 2015, an expedited judicial review process and specified procedures for the preparation and certification of the administrative record for an EIR. This measure also authorized the Governor, upon application, to certify a leadership project related to the development of a residential, retail, commercial, sports, cultural, entertainment, or recreational use project, or clean renewable energy or clean energy manufacturing project.

As introduced, AB 2163 would amend AB 900 to: 1) indefinitely extend the use of the expedited judicial review process and procedures for the certification of the administrative record for an EIR; 2) expand projects that would be eligible for those alternative processes to include, among others: a) commercial development projects, such as projects for industrial, office, or retail use, exceeding 125,000 square feet; b) residential development projects exceeding 50 units; and c) recreational projects, such as golf courses, with over 20 acres of cultivated development; and 3) repeal the requirements that a project: a) result in a minimum investment of \$100.0 million; b) be located in an infill site; c) be certified as Leadership in Energy and Environmental Design (LEED) silver or better project by the United States Green Building Council; and d) be certified by the Governor.

On September 27, 2011, your Board directed this office and the Sacramento advocates to initiate/support legislative efforts that provide expedited judicial review process under the CEQA for projects that provide vital public services, including hospitals, health clinics, fire and police/sheriff stations, communication facilities/systems, libraries, schools, transportation projects, and other vital government capital projects in the County of Los Angeles that serve the public interest as well as commercial, sports, cultural, recreational and clean energy projects. As a result, this office took a County-support-if-amended position on AB 2163.

Because a number of concerns have been raised regarding the provisions related to the repeal of project threshold requirements and the potential impact on the County to comply with the expedited timelines for an expanded scope of projects, the Sacramento advocates will remove the County's Support-if-amended position, and take no position on this measure at this time.

This office will continue to work with departments to analyze the impact of the bill on the County, and the Sacramento advocates will continue to pursue legislation to expand expedited judicial review for projects that provide vital public services pursuant to your Board directive of September 27, 2011.

Status of County-Advocacy Legislation

County-supported AB 1533 (Mitchell), which as amended on March 21, 2012, would establish the five-year University of California Los Angeles (UCLA) International Medical Graduate Pilot Program to authorize graduates from foreign medical schools to receive up to 24-weeks of clinical instruction and provide hands-on patient care at UCLA operated health care facilities and approved teaching sites, passed the Assembly Business, Professions and Consumer Protection Committee by a vote of 9 to 0 on March 27, 2012. This measure now proceeds to the Assembly Appropriations Committee.

County-support and amend AB 1569 (Allen), which as introduced January 31, 2012, would extend Laura's Law to January 1, 2019, passed the Assembly Health Committee by a vote of 15 to 3 on March 27, 2012. This measure now proceeds to the Assembly Judiciary Committee.

Legislation of County-Interest

AB 1506 (Jeffries and Cook), which, as introduced on January 12, 2012, would repeal ABX1 29 (Chapter 8, Statutes of 2011) which requires the State Board of Equalization to establish a State Responsibility Area (SRA) fee of up to \$150 to be charged on structures within a SRA to cover costs related to fire prevention services in wildland areas. AB 1506 would fully repeal ABX1 29 and eliminate the SRA fee.

According to the Department of Finance analysis, the SRA fee is estimated to generate approximately \$50.0 million in FY 2011-12 and up to \$200.0 million in ongoing State General Fund revenue to be directed to the Department of Forestry and Fire Protection (Cal FIRE) for fire prevention efforts. Pursuant to the requirements of ABX1 29, Cal FIRE convened a working group to develop recommendations on implementation of the SRA fee and to address legal and programmatic issues. The working group met to

further define the types of structures and dwellings upon which the SRA fee would be assessed and approved the SRA fee regulations in January 2012. Officials are expected to begin collection of the SRA fee from eligible property owners this summer. According to the Fire Department, the SRA fee would impact approximately 15,500 parcels containing close to 17,000 dwelling units in the County.

AB 1506 is supported by the California State Association of Counties; County of San Bernardino; Fire Districts Association of California; Regional Council of Rural Counties; San Diego County Board of Supervisors; Southwest California Legislative Council and various fire protection districts, State associations and individuals. There is no registered opposition to the bill on file.

AB 1506 was heard in the Assembly Committee on Natural Resources on March 26, 2012 and passed on a vote of 7 to 2. This measure now proceeds to the Assembly Appropriations Committee.

AB 1712 (Beall) was significantly amended on March 21, 2012, to include provisions to:

1) transfer the approval of Transitional Housing Placement (THP) Plus Foster Care providers, serving non-minor dependents (NMDs), from counties to the California Department of Social Services and would add THP-Plus Foster Care as a State licensing category; 2) clarify issues concerning county of residence and inter-county transfers for NMDs; 3) clarify the effect on reunification plans when a minor becomes a NMD; 4) clarify eligibility and contingencies for Adoption Assistance Payments for NMDs who are adopted as adults; and 5) clarify NMDs' access to services, including reunification services, among other provisions.

As previously reported, AB 1712, as introduced on February 16, 2012, would make technical changes to the statutes governing child welfare services and THP-Plus, among other provisions. In addition, this measure is the vehicle for clean-up legislation to **County-support-in-concept AB 12** (Chapter 559, Statutes of 2010); and AB 212 (Chapter 459, Statutes of 2011) which extended Foster Care and Kinship Guardian Assistance Program benefits to eligible youth up to 21 years of age, as provided in H.R. 6893, the Federal Fostering Connections to Success and Increasing Adoptions Act of 2008.

AB 1712 is sponsored by the California Alliance of Child and Family Services; California Youth Connection; Children's Law Center of Los Angeles; County Welfare Directors Association of California; John Burton Foundation; Judicial Council of California; SEIU State Council; The Alliance for Children's Rights; and Youth Law Center.

This measure is scheduled for a hearing in the Assembly Human Services Committee on April 24, 2012. This office is working with the Department of Children and Family Services and County Counsel to determine the programmatic and fiscal impact to the County.

We will continue to keep you advised.

WTF:RA MR:IGEA:sb

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants